

**LONG-TERM RENEWAL OF THE CONTRACT FOR THE
CROSS VALLEY CENTRAL VALLEY PROJECT
CONTRACTORS**

Draft Finding of No Significant Impact

December 2004

**Issued by:
U.S. Bureau of Reclamation
Mid-Pacific Region
South-Central California Area Office**

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
DRAFT
FINDING OF NO SIGNIFICANT IMPACT
LONG-TERM CONTRACT RENEWAL FOR
EIGHT CROSS VALLEY CONTRACTORS
THROUGH MARCH 1, 2030**

BACKGROUND

In accordance with Section 102 (2) (c) of the National Environmental Policy Act (NEPA) of 1969, as amended, the Mid-Pacific Regional Office of the U.S. Bureau of Reclamation (Reclamation) has determined an Environmental Impact Statement is not required for the proposed execution of the Long-Term Water Service Contracts for eight Cross Valley Contractors of the Central Valley Project (CVP). This Finding of No Significant Impacts (FONSI) is supported by Reclamation's Draft Cross Valley Contractors Long-Term Contract Renewal Environmental Assessment (DEA), dated October 16, 2000 and Final Cross Valley Contractors Long-Term Contract Renewal Environmental Assessment (FEA) in January 2001, and the Supplemental Environmental Assessment for the Cross Valley Contractors Long-Term Contract Renewal, dated October 2004, herein incorporated by reference.

Section 3409 of the Central Valley Project Improvement Act of 1992 (CVPIA) stipulates that Reclamation must prepare and complete a Programmatic Environmental Impact Statement (PEIS), pursuant to NEPA, analyzing the direct and indirect impacts and benefits associated with the implementation of the CVPIA. This was completed with the Record of Decision signed on January 9, 2001.

In accordance with Section 3404(c) of the CVPIA, authorization of long-term contract renewals (LTCR) also requires appropriate environmental review. This was the subject of the DEA, FEA and SEA which tier from the CVPIA PEIS. The PEIS addressed the impacts and benefits of implementing the CVPIA provisions CVP-wide and allowed subsequent environmental documents to tier from and to incorporate the PEIS analysis. The DEA, FEA and SEA analyze localized impacts of continued water deliveries of 128,300 acre feet per year of CVP water to the eight Cross Valley Contractors, resulting from the 25-year long-term contract. The FEA assumed the 25-year period would begin in 2001 and end in 2026. However, the Cross Valley Contractors have not signed their long-term water service contracts. It is anticipated the contractors would sign their new long-term contract in 2005. Therefore, Reclamation prepared a SEA to analyze the impacts to environmental resources for the continued water deliveries from 2005 to 2030.

The purpose of the proposed action is to execute the Long-Term Water Service Contract with eight Cross Valley Contractors for 25 years. The approval and long-term contract would be consistent with the provisions in the CVPIA, Reclamation Project Act, and Reclamation Reform Act (RRA). This Proposed Action is necessary to provide

uninterrupted CVP water deliveries to the CVP Cross Valley Contractors for agricultural, municipal and industrial purposes for 25 years.

Three alternatives were identified in the DEA, FEA and SEA for the renewal of the long-term contract between Reclamation and the Cross Valley Contractors. The alternatives represented a range of water service agreements provisions that could be implemented for the long-term contract renewals. The No-Action Alternative consists of renewing the existing water service contract as described by the Preferred Alternative of the PEIS. In November 1999, Reclamation published a proposed long-term water service contract. In April 2000, the CVP Contractors presented an alternative long-term service contract. Reclamation and CVP Contractors continued to negotiate the CVP-wide terms and conditions with these proposals serving as the “bookends”. The final contract language and the long-term renewal Proposed Action represents a negotiated position between Alternatives 1 and 2. The analysis of the final contract language was included in the SEA completed in October 2004.

The DEA, FEA, SEA and the scope of the analysis were developed consistent with regulations and Council of Environmental Quality. The analysis in the DEA, FEA and SEA finds that the renewal of the contracts is, in essence, a continuation of the “status quo”. Although there are financial and administrative changes to the contracts, they perpetuate the existing use and allocation of resources (i.e. the same amount of water is being provided to the same lands for existing/ongoing purposes). The analysis in the DEA, FEA and SEA, therefore, addresses the proposed changes to the contract and the potential environmental effects of those changes. As indicated in the incorporated by referenced DEA, FEA, SEA, and in this FONSI, these contract changes would not result in significant deterioration of the environment.

FINDINGS

In accordance with NEPA and its implementing regulations and consistent with the analysis in the Friant EA, the Mid-Pacific Region of Reclamation has found that the Proposed Action to renew a long-term contract for water service to eight (8) Cross Valley Contractors is not a major federal action that would significantly affect the quality of the human environment. Consequently, an environmental impact statement is not required. This determination is supported by the following factors:

1. Surface Water Resources – Under the proposed action, the amount of water remains the same. State Water Project (SWP) and CVP operations would continue to be coordinated in accordance with the Operations and Criteria Plan. Pumping, conveyance and deliveries would occur in existing facilities. The 128,300 af/y of CVP water is used for Agricultural and M&I purposes within the eight Cross Valley Contractor’s service areas. The continued deliveries of this water reduce the need for water transfers into the Cross Valley Contractor’s service areas from other sources. Tiered pricing would not likely result in significant impacts to these service areas since it would be more economical compared to water transfers. The Proposed Action would have no effect on total water supply. Although the term of the contract and environmental analysis would span until 2030, the SEA analyzed full build-out and

conditions projected to year 2030. Water deliveries beyond 2025 until 2030 would continue under the projections for 2025. No additional water supplies would be delivered. Therefore, no significant impacts would occur to water resources as a result of water service to 2030.

The Proposed Action would not alter any CVP entitlement or impede any obligations to deliver water to other CVP contracts, fish or wildlife purposes. Likewise, the Proposed Action would not alter any SWP entitlements or impede any obligations to deliver water to other SWP contracts, and/or fish and wildlife purposes. The Cross Valley Contractor's CVP water is provided from the Delta and is typically exchanged for Friant CVP water with Arvin Edison Water Storage District. The Proposed Action would not alter any entitlements to Friant Division Contractors. Currently, Friant water supplies are not permitted for deliveries for fish and wildlife purposes. The long-term water service contracts could result in exchange arrangements with other non-CVP Contractors involving non-CVP water sources. Exchanges under Article 5 in the long-term water service contracts are a separate action and approval requiring separate review and analysis under NEPA including the Endangered Species Act. Reclamation is developing a comprehensive environmental assessment for water exchanges with potential exchange partners to allow for improved flexibility for timing of water deliveries to the Cross Valley Contractors. The environmental assessment for the exchanges is anticipated to be available for public review in January 2005.

The long-term water service contracts allow for mixed agricultural and municipal and industrial Contractors would continue conjunctive use of available surface and groundwater but with more emphasis on the groundwater during dry periods when CVP supplies are limited.

2. Groundwater Resources – The eight Cross Valley Contractors would continue managing available surface water and groundwater as in the past. During dry periods, more groundwater is likely to be pumped when economically beneficial or when surface water is limited. Providing surface water supplies to the eight Cross Valley Contractors would continue the recharging of water to the aquifer over the next 40 years and maintaining the local groundwater resources.

3. Water Quality - The proposed long-term contract renewal would not change surface or groundwater quality from existing conditions. The water delivered under this proposed action is small and is of high enough quality to not lead to significant changes in surface or groundwater quality.

4. Fisheries – The Proposed Action is expected to continue existing operations and deliveries of this water. Between 2005 and 2030, there would be no changes to CVP operations or contract amounts that would affect the timing of water moving through the reservoirs, canals, or stream flows to the extent it would affect fishery resources as a result of the Proposed Action. Therefore, the Proposed Action would have no impacts on fishery resources.

5. Land Use Resources –The Cross Valley Contractors submitted Water Needs Assessment, as appropriate, projecting conditions in year 2025. The projected conditions assumed full build-out in 2025. Cities and communities are expected to expand over the next several decades as a result of affordable housing and other economical pressures. The Cross Valley Contractors are responsible for managing the water supplies for the benefit of its customers. The Proposed Action would not result in growth-inducing impacts because there would be no changes to CVP operations or contract amounts beyond the 128,300 af/y of water. The Proposed Action would not result in significant impacts or changes to land use.

6. Biological Resources – The Proposed Action, relative to the No Action Alternative, does not increase the water service contract amounts, require additional facilities (dams, canals, etc.), or convert natural habitat to farmland, homes or businesses. Consequently, the continued historic operations under the Proposed Action would not result in any changes to the area’s biological resources. The Proposed Action results in the continued deliveries of water to the Cross Valley Contractors within historic levels and would not result in significant impacts to biological resources. Therefore, the proposed long-term contract renewal would not result in significant impacts to biological resources.

7. Threatened and Endangered Species - Consultation pursuant to the Endangered Species Act has been completed for the CVPIA PEIS and Cross Valley Contractors. The implementation of the various commitments and requirements in the biological opinions will ensure that there would be no significant impact on listed species. The terms and conditions, reasonable and prudent measures and all environmental commitments, identified in the BO's are, hereby, incorporated by reference. Reclamation is currently informally consulting with the Fish and Wildlife Service and the National Oceanic Atmospheric Administration on this supplemental environmental assessment.

8. Recreational Resources – Recreational opportunities would remain unchanged. CVP facilities and operations would not change as a result of the renewal of the long-term contract. Fluctuations in water levels in lakes and streams would continue to depend upon volume, inflow, storage, and downstream needs and demands, all independent from the Proposed Action. The Proposed Action would have no impacts to recreation in the region.

9. Socioeconomic Resources – The Proposed Action would have a less than significant effect on socio-economical resources. The amount of water supplied under each contract would continue to be delivered, as in the past, accounting for fluctuating hydrological conditions that could reduce water supplies. These changes in water supplies could result in reductions in gross revenue, net revenue, and employment in the region on a short term basis until hydrological conditions improve and reservoirs fill allowing for increased deliveries up to the contract total while meeting requirements for fish and wildlife purposes.

10. Cultural Resources – The Proposed Action will not result in significant impacts to eligible or significant cultural resources because no additional infrastructure would be constructed and no land use changes or conversions into farmland or other uses are proposed. In addition, there would be no increase in deliveries, land use changes, or conversion of existing natural habitat into farmland or other uses.

11. Social Conditions – The Proposed Action does not change the CVP management, facilities operation, or result in any new construction of additional facilities. Independent of the Proposed Action, present high unemployment rates would continue for the area. Agriculture would remain a large employer in the San Joaquin Valley and within the eight Cross Valley Contractors service areas. The continued deliveries of this water (128,300) for Ag and M&I users would not result in significant changes to social conditions or unemployment rates.

12. Air Quality – The Proposed Action would not change existing CVP facilities, operations, or result in construction of new facilities to deliver this water. The expansions of cities and communities are the result of economical pressures and are not the result of deliveries under the Proposed Action. No increase to the contract supply would occur under the Proposed Action. Therefore, the Proposed Action would not promote growth and would have no significant impacts on air quality.

13. Geology and Soils – The Proposed Action relative to the No Action Alternative would continue CVP water deliveries to the eight Cross Valley Contractors with no change in the contract amount. There would be no new construction of facilities and operations which would affect soil erosion. CVP operations and flows would continue to be conducted to prevent scouring and bank erosion. The Proposed Action would allow the groundwater recharge and diminish soil subsidence within the Cross Valley Contractor's service areas.

14. Visual Resources – The Proposed Action would not result in construction of new facilities or land disturbing activities that could alter the visual environment. Therefore, the Proposed Action would not have a significant effect on the service area's unique or scenic landscape features.

15. Environmental Justice – The Proposed Action would not have a disproportionately high adverse affect on any one ethnic group compared to another, including land owners, farmers, and farm workers. However, reductions in water supplies as a result of hydrological conditions would reflect more on individuals and skill levels who are generally economically disadvantaged. The Proposed Action would not have a disproportionately high and adverse or environmental effect on minority or low-income populations.

16. Indian Trust Assets – The Proposed Action relative to the No Action Alternative would continue CVP water deliveries with no change to the contract amount. There is no change in CVP management, reservoir operations, or facilities that would interfere with existing Indian Trust Assets water rights or diversions.

17. Cumulative Effects – Cumulative impacts on a CVP-wide basis were adequately addressed in the CVPIA PEIS, from which the DEA, FEA and SEA are tiered. The analysis provides the programmatic cumulative analysis for the No-Action Alternative to which Alternatives 1 and 2 can be compared. Since the differences among the alternatives are essentially administrative/financial contractual features, there would be no addition to cumulative impacts associated with implementation of the CVPIA to resources under all alternatives.

The delivery of CVP water under the Proposed Action would not induce population growth within the service areas of the eight Cross Valley Contractors since this water would continue to be delivered on a long-term basis, between 2005 and 2030. The Water Needs Assessments projected conditions with full build-out in 2025. Providing water service until 2030 would maintain the conditions as envisioned in year 2025.

Recommended:

Environmental Officer Date
South-Central California Area Office

Concur:

Chief, Resource Management Division Date
South-Central California Area Office

Concur:

Area Manager Date
South-Central California Area Office

Concur:

Regional Environmental Officer Date
Mid-Pacific Regional Office

Approved:

Regional Resources Manager Date
Mid-Pacific Regional Office

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